

L E A S E

THIS LEASE, made and entered into this 25th day of March, 1977, by and between ASSUNTA DESIMONE, individually, RAINIER NATIONAL BANK (formerly The National Bank of Commerce of Seattle), HAROLD S. SHEFELMAN, MONDO DESIMONE and ROSE D. MASELLI, all as Trustees under the Last Will and Testament of Giuseppe Desimone, Deceased, and KATHERINE M. DESIMONE, individually and as Executrix of the Estate of Richard Louis Desimone, Deceased, hereinafter referred to in the aggregate as "Lessor," and PACCAR INC, a Delaware corporation (operating through its Kenworth Truck Company division), hereinafter referred to as "Lessee,"

W I T N E S S E T H :

1. Premises. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the following described real property located in King County, State of Washington:

PARCEL "A":

That portion of the northwest quarter of the southeast quarter and of Government Lot No. 7, Section 4, Township 23 North, Range 4 East, W.M., in King County, Washington;
lying southwesterly of the northeasterly boundary of the proposed extension of the Duwamish Waterway, said northeasterly line being 225 feet northeasterly of the center line, of the existing waterway extended southeasterly;
northeasterly of the northeasterly line of Primary State Highway No. 1 as established by King County Superior Court Cause No. 529021;
and southeasterly of the 60 foot strip in said northwest quarter of the southeast quarter for roadway as described in Memorandum of Lease Recorded under Auditor's File No. 4759860, records of King County, Washington;
EXCEPT strip for Seattle Transmission line as established by Ordinance No. 82986, of the City of Seattle.

PARCEL "B":

That portion of Government Lot 11, Section 4, Township 23 North, Range 4 East, W.M., in King County, Washington;
lying northeasterly of the northeasterly line of Primary State Highway No. 1, as established by King County Superior Court Cause No. 529021;
EXCEPT the south 460 feet of said Lot; and
EXCEPT the strip for Seattle Transmission Line as established by Ordinance No. 82986, of the City of Seattle.

TOGETHER WITH an easement for ingress, egress and utilities over the southwesterly 60 feet of that portion of the northwest quarter of the southeast quarter of said Section 4; lying easterly of said Highway and northeasterly of said Transmission Line.

together with any appurtenances now or hereafter thereon, herein- after called the "Premises," subject, however, to mortgages, liens, encumbrances, and other restrictions of record, and ordinances and regulations now or hereafter lawfully imposed by any govern- ment or agency thereof.

2. Term. The term of this Lease shall commence on the 1st day of June, 1977, and terminate on the 31st day of May, 1987, subject to the other provisions hereof, particularly those contained in paragraph 4.

3. Rental. The Lessee covenants and agrees to pay Lessor as rental for said Premises during the term hereof the sum of Thirty-six Thousand Dollars (\$36,000.00) per annum, payable in the amount of Three Thousand Dollars (\$3,000.00) per month in lawful money of the United States of America, payable on or before the first day of each and every calendar month during the term hereof; provided, however, that if the Wholesale Price Index as finally issued for Seattle, Washington, or any successor index thereto, as of the last day of the fifth year of the lease term exceeds said Wholesale Price Index as of the date of the commencement of the lease term, then the rental amount payable for each year of the last five years of the lease term shall be increased proportionately. Once the rental amount is adjusted for the last five years of the lease term as set forth in the preceding sentence, it shall remain fixed for the last five years of the lease term, and shall not be further adjusted to reflect any successive changes in the Wholesale Price Index. All annual payments are payable on the first day of each month in equal installments.

In no event shall the annual rental payments hereunder be less than Thirty-six Thousand Dollars (\$36,000.00). Each monthly rental payment shall be made by sending one check made payable to the order of Rainier National Bank in the amount of One Thousand Nine Hundred Sixteen and 67/100 Dollars (\$1,916.67) to:

Trust Department
Rainier National Bank
Second and Spring
Seattle, Washington 98104

and another check made payable to the order of Katherine Desimone in the amount of One Thousand Eighty-three and 33/100 Dollars (\$1,083.33) to:

Mrs. Richard Desimone
(b)(6)
Seattle, Washington 98166

or at such other places as the Lessor may designate in writing. If the rental amount is adjusted for the last five years of the Lease term because of a change in the Wholesale Price Index, the adjusted rental amount payable each month shall be paid by sending one check made payable to the order of Rainier National Bank in an amount equal to twenty-three thirty-sixths (23/36) of the total adjusted rental amount to the address set forth above, and by sending another check made payable to the order of Katherine Desimone in an amount equal to thirteen thirty-sixths (13/36) of the total adjusted rental amount to the address set forth above.

4. Options to Terminate.

(a) Lessee has the option to terminate this Lease at any time after the execution hereof and prior to the date of commencement of the Lease term, for any reason whatsoever. To exercise such option, Lessee shall deliver to Lessor written notification of its decision to terminate, which notification shall (i) state the date of such termination, (ii) list all

surveys, engineering tests, soil surveys, improvements and construction commenced, completed or contracted for by Lessee to or for the Premises to the date of termination, (iii) list the names of the persons and corporations performing such services or executing such contracts, and (iv) include waivers of all liens against the Premises by such persons and corporations.

(b) If the "ambient noise level" (as measured by a properly calibrated and located microphone) at the Premises exceeds 63 dBA for one hour (not necessarily continuous) of any 24-hour period, and if the Premises are for that reason rendered unfit for the purpose set forth in paragraph 8 hereof, then Lessee may terminate this Lease as of the end of the third or sixth years of the Lease term by giving Lessor a four (4) month prior written notification of its intent to so terminate. Such notification shall specify the date of termination and shall be accompanied by work sheets and other documents supporting the required measurement. Any measurement hereunder shall be made in accordance with the standards promulgated by the Environmental Protection Agency of the United States of America for measuring sound emissions of motor vehicles and, specifically, with the standards relating thereto published as Sec. 205.54-1 in Vol. 41, No. 72, Fed. Reg., April 13, 1976.

5. Preliminary Tests. Between the date hereof and the date of commencement of the Lease term specified in Paragraph 2 hereof, Lessee has the right to enter the Premises for the sole purpose of making any soil tests, percolation tests, surveys or other tests or reports of the Premises. All such tests shall be conducted at the Lessee's sole risk and expense, and upon the termination of this Lease, for any reason, prior to May 31, 1987,

the results of any soil tests, percolation tests, and line surveys shall be furnished to the Lessor free of cost to the Lessor, upon request therefor.

6. Taxes, Utilities and Other Charges. The Lessee hereby covenants and agrees to pay, at least ten (10) days before delinquency, all taxes, general and special, assessments, including assessments for local improvements, all charges for electricity, telephone, heat, gas, water, sewer and garbage removal, Metro charges, and all other public service or utility charges of every kind and type, inspection and permit fees, and every other charge of every and any kind, whether herein enumerated or otherwise, that may be levied, assessed, charged, or imposed upon or against the Premises or any improvements thereon during the term of this Lease, except as follows:

(a) The Lessee's obligation hereunder to pay special assessments payable in installments shall extend only to the special assessment installments which fall due during the term of this Lease;

(b) The Lessee shall have no obligation to pay special assessments levied because of the formation of a local improvement district petitioned for by Lessor but not approved by Lessee; and

(c) The Lessee shall have no obligation to pay any assessments, charges or obligations, other than assessments for local improvements, which are levied, charged or imposed to pay for a permanent improvement on the Premises that does not benefit Lessee's use of the Premises, or relate to its use of the Premises.

The real estate taxes which become due and payable during the year 1977 shall be prorated between the Lessor and Lessee as of the date of commencement of the Lease term, and the real estate

taxes for the last year of the term of this Lease shall be pro-rated between the Lessor and the Lessee as of the date of termination. Except as provided herein, this shall be an absolutely net Lease, and shall at all times yield to the Lessor the net rental provided for in paragraph 3 of this Lease, except for any income taxes that may be payable by the Lessor to the United States of America or to the State of Washington under any existing or future law. It shall be the Lessee's sole responsibility to ascertain the amounts due and the due dates of all said taxes, assessments and charges and to pay such taxes, assessments and charges, and the Lessor shall in no event be liable for failing to ascertain or notify the Lessee of the amounts or the due dates of any of said taxes, assessments and charges, except that if Lessor receives any tax or assessment notices, it agrees to send them to Lessee at the address set forth in paragraph 22 hereof, in a timely fashion. Lessee shall deliver to the Lessor receipts showing payment of all said taxes, assessments and charges, as soon as they are paid.

7. Right to Contest Taxes, Assessments and Charges. The Lessee shall have the right to contest all taxes, assessments and other governmental charges which it herein agrees to pay and any and all laws, rules, orders, ordinances and regulations which it has anywhere herein agreed to comply with, and shall have the right to defer payment or compliance pending the determination of such contest. The Lessee hereby covenants and agrees to indemnify the Lessor against any liability, loss, damage, cost or expense resulting from the deferment of payment, noncompliance with or contest of any such tax, assessments, or governmental charge so contested or the noncompliance with or contest concerning any such law, rule, order, ordinance or regulation so contested. Upon demand of the Lessor, the Lessee agrees to furnish the Lessor

an indemnity bond from a company authorized to issue such bonds in the State of Washington, indemnifying the Lessor against such liability, loss, damage, cost or expense. Lessor agrees to cooperate with Lessee in any such contest, but at Lessee's sole cost and expense.

8. Use of Premises. The Premises are to be used for the primary purpose of testing motor vehicles manufactured by Lessee, particularly for noise levels, and for other related purposes. The Lessee shall comply with all laws, rules, orders, ordinances and regulations of any governmental agency having jurisdiction of the Premises affecting said Premises or the use thereof. The Lessee agrees to obtain all permits which may be lawfully required by any governmental agency and to perform any work which may be lawfully required by any governmental agency as a condition to carrying out the Lease purpose, all at the sole cost and expense of the Lessee, and to hold Lessor and its agents harmless from all liabilities, costs, and expenses of every kind and nature whatsoever, including attorneys' fees, that may be claimed or accrue by reason of any failure by Lessee to comply with any lawful governmental regulations or to obtain any governmental permits lawfully required to be obtained in connection with the ownership or use of the Premises. Lessor has made no representations as to the condition of the Premises on the date of the commencement of the term hereof, except that Lessor has no knowledge that any condition of the Premises violates any governmental law or regulation as of the date of the execution of this Lease, and except that Lessor has no knowledge that any assessments have been levied against the Premises, becoming due during the term of this Lease.

9. Improvements.

(a) The Lessee, at its expense, may at any time during the term hereof construct or alter fencing, a motor vehicle test track, testing equipment, a building to contain the testing equipment, and a maintenance building on the Premises, providing those improvements are constructed or altered in accordance with all applicable regulations and requirements of any governmental authority having jurisdiction thereof. The Lessee may remove those improvements at any time during the term of this Lease. If Lessor so notifies Lessee in writing prior to ninety (90) days after the termination of this Lease, the Lessee at its expenses shall remove said improvements within sixty (60) days after receipt of such notice.

(b) The Lessee, at its expense, may at any time during the term hereof construct or alter any improvements in addition to, or in place of the improvements described in paragraph 9(a) hereof, and such additional improvements are hereinafter referred to as "Additional Improvements." Those Additional Improvements shall be constructed or altered in accordance with all applicable regulations and requirements of any governmental authority having jurisdiction thereof and in accordance with plans first approved in writing by Lessor, which approval Lessor will not unreasonably withhold. All such Additional Improvements as are made shall not be removed without the prior written consent of Lessor, and at the expiration or earlier termination of this Lease, all such Additional Improvements shall become the property of the Lessor and shall remain in and be surrendered with the Premises as a part thereof, except that if Lessor so notifies Lessee in writing prior to ninety (90) days after the termination of this Lease, the Lessee at its expense shall remove said Additional Improvements at its expense within sixty (60) days after receipt

of such notice, and except that in the event all or a portion of the Premises shall be taken as the result of the exercise of the power of eminent domain, or pursuant to negotiation under the threat of the power of eminent domain, the condemnation award shall be apportioned between Lessor and Lessee in accordance with paragraph 17 hereof.

(c) Prior to the commencement of constructing or altering any improvements on the Premises, Lessee shall furnish Lessor a performance and completion bond from a company authorized to issue such bond in the State of Washington, assuring the completion of those improvements in accordance with the plans approved by Lessor and applicable governmental regulations and full payment of the cost thereof.

(d) Upon receipt by Lessor of written notice by Lessee that it desires to construct or install utilities for its use, Lessor shall have the right to require the construction or installation of utilities to benefit the long-term development of the Premises.. If Lessor requires only a change in the size or type of materials to be used, then Lessee shall construct all such utilities, and Lessor shall pay Lessee the difference between the cost of constructing or installing utilities for the Lessee's use and the cost of such construction and installation for long-term development; but if Lessor requires utility lines to be constructed in different or additional locations, the Lessor shall construct all such utilities, and Lessee shall pay Lessor the cost of constructing or installing the utilities for the Lessee's use.

10. Acceptance and Care of Premises. Lessee acknowledges that it has thoroughly examined the Premises, and that it accepts the same in their present condition and waives all claims of any

nature that may arise therefrom. The Lessee covenants and agrees that all Additional Improvements constructed thereon shall be kept, both inside and out, in good condition and repair at the Lessee's sole cost and expense, including, but not limited to, exterior walls, roof, foundation, glass, plumbing, wiring and fixtures in or connected with the Premises, and that any needed repairs shall be made with all reasonable promptness. The Lessee agrees to replace and renew with like kind and quality any of the said things in or about the Premises that may become too worn to be repaired, so that at all times all Additional Improvements shall be in good order, condition and repair.

11. Right of Access. The Lessor and Lessor's agents shall have the right at all reasonable times to enter the Premises and inspect the same and to make such repairs as may reasonably be deemed necessary by the Lessor or its agents to keep the Premises in a state of good repair, but without interfering with Lessee's reasonable use of the Premises. This agreement shall not be construed as a covenant on the part of the Lessor to make any repairs whatsoever on said Premises. Lessee shall immediately reimburse Lessor for the cost of such repairs.

12. Surrender of Premises. Lessee agrees that at the expiration or earlier termination of this Lease, it will quit and surrender the Premises without notice and will deliver the Premises to the Lessor free and clear of all liens and encumbrances of any kind and nature. Any personal property upon the Premises at the expiration or earlier termination of this Lease may be removed by the Lessor and the Lessor may place the same in storage at a public warehouse at the expense and risk of the owners thereof, but the

Lessor shall have no obligation to do so, or at the option of Lessor such property may be deemed abandoned by the Lessee. Notwithstanding the foregoing, at the expiration or earlier termination of this Lease, Lessee shall remove at its expense all personal property then on the Premises.

13. No Liens or Encumbrances. Lessee agrees not to permit any lien or encumbrance from any source or for any purpose whatsoever to remain against said Premises for more than one week's duration during the term of this Lease, including any liens or encumbrances which may exist against the Premises as of the date of commencement of the term hereof, unless Lessee furnishes the Lessor with an indemnity bond from a company authorized to issue such bonds in the State of Washington, indemnifying the Lessor against any liability, loss, damage, cost or expense in the full amount of any such lien plus reasonable attorney's fees. Lessee agrees to hold harmless and shall indemnify the Lessor and Lessor's agents from all liabilities, costs and expenses of every kind and nature whatsoever, including attorney's fees, that may be claimed or accrue in connection with any claims, liens or encumbrances which may exist during the term hereof.

14. Insolvency. In the event that Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of the Lessee, and such receiver, assignee or other liquidating officer is not discharged within thirty (30) days from the date of his appointment, then the Lessor may immediately terminate this Lease at its option.

15. Hold Harmless Clause and Liability Insurance. The Lessee shall hold harmless and indemnify the Lessor and Lessor's agents from all liabilities, costs and expenses of every kind and nature whatsoever that may be claimed or accrue by reason of any accident or injury in or about the leased Premises or as the result of the condition, maintenance or operation of the Premises and areas adjacent thereto, or caused by the acts or neglect of the Lessee or of any person whomsoever in or about the Premises, except that the Lessee shall not be liable for accidents or injuries occurring as a result of the negligence of Lessor or its agents subsequent to the execution of this Lease. It is agreed that neither the Lessor nor the Lessor's agents shall be liable for the death or injury to any person in or about the Premises, or for loss of or damage to any property in or about the Premises, and the Lessor shall not be liable to the Lessee or to any person for claims arising from any defect (whether known or unknown) in the construction or present condition of the Premises, the sole exception being death or injury occurring as a result of the negligence of Lessor or its agents subsequent to the execution of this Lease. Lessee agrees to keep in force bodily injury liability insurance with minimum limits of \$250,000.00/500,000.00 and property liability insurance with a minimum limit of \$100,000.00 covering said Premises, all such insurance to be in a company or companies authorized to issue such insurance in the State of Washington and to be for Lessor's benefit as its interests may appear. Lessee agrees to pay all premiums for such insurance, and to deliver to Lessor evidence of the fact that such insurance is in force and will not be cancelled without at least thirty (30) days' prior written notice by said insurance company or companies to Lessor.

16. Fire Insurance. The Lessee shall procure and maintain at its sole expense standard fire and extended coverage insurance on all of the Additional Improvements on the Premises to the extent of

the full insurable value of those Additional Improvements. Such insurance shall be written with companies satisfactory to the Lessor, and all policies shall be deposited with, and be made payable to, the Lessor, to the end that the Lessor shall be entitled to collect, for the use and benefit of the Lessor and the Lessee, as their interests may appear, all money due under said policies payable in the event of, and by reason of, the loss or damage by fire, or other causes covered by such policies, of Additional Improvements on said Premises. Said insurance shall contain a clause that the insurer will not cancel or change the insurance without first giving the Lessor at least thirty (30) days' prior written notice. If any incident occurs which occasions any payment of proceeds of said insurance, the Lessee shall have thirty (30) days after said incident in which to decide whether or not to rebuild or repair the Premises. If the Lessee gives written notice to the Lessor within said thirty-day period that it has elected to rebuild or repair the Premises, the Lessee shall promptly thereafter place said Additional Improvements in substantially the same condition as they were before said incident which caused the payment of the proceeds of said insurance. The Lessor shall advance the proceeds of said insurance to the Lessee in reasonable installments for the purpose of so placing said Additional Improvements in substantially the same condition as they were before said incident. All proceeds of said insurance shall be applied toward the cost of said rebuilding or repairs, except that if there is any balance remaining after said Additional Improvements have been placed in substantially the same condition as they were before said incident, said balance shall belong to the Lessee. If the Lessee should fail to give said notice within said thirty (30) day period, then neither party shall have any responsibility to rebuild or repair the Premises,

and all of said insurance proceeds shall belong to Lessee if the incident occasioning the payment of the proceeds occurs during the first five years of the Lease term, but if said incident occurs during the last five years of the Lease term, then the proceeds shall be divided between the Lessor and the Lessee in the ratio that the then expired portion of the last five years of the Lease term bears to the then unexpired portion of the last five years of the Lease term, the Lessor receiving a percentage thereof equal to the percentage of the last five years of the Lease term which has then expired, and the Lessee receiving a percentage thereof equal to the percentage of the last five years of the Lease term which is then unexpired, if any. Whether or not the Lessee elects to rebuild or repair the Premises, the term hereof shall continue in full force and effect, and the rental payments due shall continue to be due and paid in exactly the same amount as would have been due had there been no said incident occasioning the payment of said insurance proceeds, until this Lease terminates in accordance with the provisions of paragraph 2 hereof.

17. Eminent Domain. If, during the term of this Lease, a portion of the Premises shall be taken as the result of the exercise of the power of eminent domain, or pursuant to negotiation under the threat of the power of eminent domain, this Lease shall thereupon terminate as to such portion so taken, and shall remain in full force and effect as to the remaining portion, and the amount of the rental to become payable thereunder after the date title is vested in or possession taken by the condemnor pursuant to the eminent domain proceedings shall be reduced in the ratio that the portion taken of the square foot area of the land described in paragraph 1 hereof, bears to the entire square

foot area of said land described in paragraph 1 hereof; provided,
however, that if the taking renders the Premises unfit for the
business of the Lessee on the Premises as permitted by this Lease,
Lessee shall have the option to terminate this Lease as of the date
title is vested in or possession taken by the condemnor, such option
to be exercised by notice given to Lessor at least thirty (30) days
prior to the proposed termination date. The parties agree that
Lessor shall be entitled to all condemnation awards, and that Lessee
shall have no claim against the Lessor for the value of any unexpired
term of this Lease, except that the Lessee shall be entitled to receive
any sums specifically awarded to compensate Lessee for relocating its
business or moving its personal or real property from the Premises,
and except that any sums specifically awarded as compensation for
improvements paid for by Lessee shall belong to Lessee if the incident
occasioning the payment of the proceeds occurs during the first five
years of the Lease term, but if said incident occurs during the
last five years of the Lease term, then the proceeds shall be
divided between the Lessor and the Lessee in the ratio that the
then expired portion of the last five years of the Lease terms
bears to the then unexpired portion of the last five years of the
Lease term, the Lessor receiving a percentage thereof equal to the
percentage of the last five years of the Lease term which has then
expired, and the Lessee receiving a percentage thereof equal to the
percentage of the last five years of the Lease term which is then
unexpired, if any.

18. Default. If at any time during the term of this
Lease the Lessee shall fail to pay the rentals provided for herein
or if the Lessee shall fail to comply with any of the other terms
and conditions of this Lease, the Lessor may give written notice

to the Lessee to pay such rentals or otherwise comply with the terms and provisions of this Lease, as the case may be. If such default is not cured within ten (10) days as to a default in the payment of rent, taxes or assessments, or within ninety (90) days as to any other default after such notice, the Lessor shall have, in addition to such remedies as may be afforded by the laws of the State of Washington, the power and right to declare this Lease terminated and re-enter the Premises, but notwithstanding such remedies or termination and re-entry by the Lessor all liabilities and obligations of the Lessee hereunder shall continue, and in discharge of such liabilities and obligations the Lessee covenants and agrees to make good to the Lessor any deficiency arising from the re-entry and re-letting of the Premises at a lesser rental or on other less favorable terms than herein provided, and to pay such deficiency each month as the amount thereof is ascertained by the Lessor.

19. Lessor May Perform. If the Lessee fails to do any act or thing required to be done by it under this Lease, except to pay rent, the Lessor shall have the right, at its sole option, but not the obligation, to do such act or thing on behalf of the Lessee and upon notification of the Lessor's expenditure in connection therewith, the Lessee shall immediately repay the Lessor the amount thereof plus interest at the rate of ten percent (10%) per annum from the date of the Lessor's expenditure to the date of the Lessee's repayment.

20. Attorneys' Fees. If, by reason of any default on the part of the Lessee in the performance of any of the terms or provisions of this Lease, it becomes reasonable for the Lessor to

employ an attorney, the Lessee agrees to pay all costs, expenses and attorneys' fees reasonably expended or incurred by the Lessor in connection therewith.

21. Non-Waiver. The failure of the Lessor to insist upon strict performance of any of the terms and provisions of this Lease shall not be construed as a waiver or relinquishment of any such terms or conditions, or of any other term or condition, but the same shall be and remain in full force and effect. The receipt of rent, with or without knowledge of any breach of this Lease, shall not be deemed to be a waiver as to any breach of any term or provision contained herein, and the receipt of rent after any breach of this Lease shall be construed to be a payment for the use and occupancy of the Premises and no waiver shall be claimed as to any term or provisions of this Lease unless the same be in writing signed by the Lessor.

22. Notices. Any notice, consent, request or other communication provided for in this Lease shall be in writing, and such notice, consent, request or other communication shall be sent by registered or certified mail to the Lessor at:

Trust Department
Rainier National Bank
Second and Spring Streets
Seattle, Washington 98104

and at

Mrs. Richard Desimone
(b)(6)
Seattle, Washington 98166

and to the Lessee at:

Law Department
PACCAR INC.
P. O. Box 1518
Bellevue, Washington 98009

or to such other address or entity as the party to receive the notice, consent, request, or other communication may hereafter designate to the other party, or shall be personally delivered to the party to receive the same.

23. Remaining in Possession. If the Lessee remains in possession of the Premises after the expiration or sooner termination of this Lease, the Lessee shall be deemed to be occupying the Premises as a tenant from month to month, subject to all the provisions of this Lease insofar as they are applicable to a tenancy from month to month.

24. Assignment or Subletting. Lessee agrees that it will not assign this Lease or any part thereof, nor let or sublet the whole or any part of said Premises, without the prior written consent of the Lessor. Lessor shall not unreasonably withhold such consent. In the event of such an assignment, the Lessee shall continue to be liable hereunder.

25. Binding Effect. The covenants and agreements of this Lease shall be binding upon and inure to the benefit of the Lessor and the Lessee and their heirs, executors, administrators, successors and assigns.

26. Time. Time is of the essence of this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

LESSEE:

PACCAR INC

By

By

LESSOR:

Assunta Desimone
Assunta Desimone

John M. Bodden

LESSOR:

RAINIER NATIONAL BANK, Trustee

By R. M. Adams
R. M. Adams, Vice President

By Robert E. Reynolds
Robert E. Reynolds, Real Estate Officer

Harold S. Shefelman
Harold S. Shefelman, Trustee

Mondo Desimone
Mondo Desimone, Trustee

Rose D. Maselli
Rose D. Maselli, Trustee

Katherine M. Desimone
Katherine M. Desimone
Individually and as
Executrix of the Estate of
Richard Louis Desimone, Deceased

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 24th day of February, 1977, before me, the undersigned Notary Public in and for the State of Washington, personally appeared ASSUNTA DESIMONE, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year first above written.

David B. Sweeney
Notary Public in and for the
State of Washington, residing
at Seattle

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 25th day of March, 1977, before me, the undersigned Notary Public in and for the State of Washington, personally appeared R. M. Adams and Robert E. Reynolds, to me known to be the Vice President and Real Estate Officer, respectively, of RAINIER NATIONAL BANK, the national banking association that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said national banking association, as the corporate co-trustee under the Last Will and Testament of Guiseppe Desimone, deceased, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Charles R. Green
Notary Public in and for the
State of Washington, residing
at Seattle

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 24th day of February, 1977, before me, the undersigned Notary Public in and for the State of Washington, personally appeared HAROLD S. SHEFELMAN, to me known to be the individual described in and who executed the within and foregoing instrument as one of the co-trustees under the Last Will and Testament of Guiseppe Desimone, deceased, and acknowledged that he signed the same as his free and voluntary act and deed, as such co-trustee, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Davis B. Sweeney
Notary Public in and for the
State of Washington, residing
at Seattle

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 25th day of March, 1977, before me, the undersigned Notary Public in and for the State of Washington, personally appeared MONDO DESIMONE, to me known to be the individual described in and who executed the within and foregoing instrument as one of the co-trustees under the Last Will and Testament of Guiseppe Desimone, deceased, and acknowledged that he signed the same as his

free and voluntary act and deed, as such co-trustee, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Charles D. Green
Notary Public in and for the
State of Washington, residing
at Seattle

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 24th day of March, 1977, before me, the undersigned Notary Public in and for the State of Washington, personally appeared ROSE D. MASELLI, to me known to be the individual described in and who executed the within and foregoing instrument as one of the co-trustees under the Last Will and Testament of Guiseppe Desimone, deceased, and acknowledged that she signed the same as her free and voluntary act and deed, as such co-trustee, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year first above written.

George L. Maselli
Notary Public in and for the State
of Washington, residing at Seattle

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 23th day of March, 1977, before me, the undersigned Notary Public in and for the State of Washington, personally appeared KATHERINE M. DESIMONE, to be known to be the individual described in and who executed the within and foregoing instrument, individually and as Executrix of the Estate of Richard Louis Desimone, deceased, and acknowledged that she signed the same as her free and voluntary act and deed, individually and as executrix, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Charles L. Green
Notary Public in and for the State
of Washington, residing at _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 23rd day of March, 1977, before me, the undersigned Notary Public in and for the State of Washington, personally appeared Jack A. Chantrey and John M. Bodden, to me known to be the Senior Vice President and Senior Vice President, respectively, of PACCAR INC., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes

therein mentioned, and on oath stated that they are authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Kenneth R. Bowdler
Notary Public in and for the
State of Washington, residing
at Bellevue, Washington.